Commerce and Commerce & Industry) during the current financial year (April to October, 2002) exports of diamond and jewellery have recorded a growth of 29% and 35% respectively over the corresponding period of the previous year.

(b) Chinese diamond industry is understood to be growing steadily and the developing countries including India may face competition from China in world diamond trade.

(c) As per a study conducted by Gem and Jewellery Export Promotion Council, (GJEPC), Mumbai, India has the potential of increasing its market share of export of cut and polished diamonds to 60% by value by the year 2005. The Medium Term Export Strategy of the Government for the year 2002-07 encompasses forging strategic alliances with producers of rough diamonds and retailers of jewellery, encouraging forward integration into gemstone jewellery, hallmarking and certifying goods towards development of Indian brand in jewellery and developing market intelligence focusing on USA, Japan and France. In the Export-Import Policy effective from 1st April, 2002, custom duty on import of rough diamonds has been reduced to 0%. Exploring the possibility of direct procurement of rough diamonds from diamond mining countries is an ongoing exercise. Funds have been provided to create training infrastructure in the gem and jewellery sector by setting up an institute for jewellery design and manufacture under the auspices of the Indian diamond Institute at Surat. To impart skills in designing in jewellery sector, Government has provided financial assistance to set up Indian Institute of Gem and Jewellery at Mumbai. For promotion of India's gem and jewellery abroad, publicity campaign, participation in international fairs, buyers and sellers meets are organised every year.

Sale of Laboratory Produced Stones (LPS)

1212. SHRI BHAGATRAM MANHAR:
SHRI RAJU PARMAR:
SHRI C. RAMACHANDRAIAH:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government's attention has been drawn to the news-item captioned "Are You Sure Your Diamonds Are Real", which appreared in the Times of India, New Delhi dated the 18th September, 2002;

(b) if so, whether Laboratory Produced Stones (LPS) from Russia and United States are flooding the Indian market and some jewellers are selling them as diamonds;

(c) if so, whether Government have taken any action against the jewellers and are contemplating to ban these LPS called Moissanites; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) Yes, Sir.

(b) It is not known to what extent domestic jewellers may be selling simulants as real diamonds.

(c) and (d) Ban on import of "Moissanites" also termed as synthetic Moissanites may not be appropriate, if they are imported in accordance with the Exim Policy and Customs Laws. The question of penal action would arise only if such stones are fraudulently sold as natural diamonds. Customers should seek certification or testing from retail jewellers to satisfy themselves about the genuineness of diamonds purchased.

Increase in export

1213. SHRI S.M. LAL JAN BASHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that export posted an increase of 13.5 per cent in the first half of this year;

(b) if so, the contributions of different sectors to this increase in export during the said period;

(c) the sectors which lagged behind; and

(d) the steps proposed to ensure the export rises at a higher rate in the second half of this year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) Yes, Sir. Exports of merchandise goods posted an increase of 13.5% during April-September, 2002-03 over the corresponding period of the previous year.

(b) The major sectors which have registered positive growth in dollar terms as per the disaggregated data provided by Directorate General of Commercial Intelligence and Statistics (DGCI&S), Kolkata, for the period April-July, 2002-03 are the following: